

PRESS RELEASE

GPEP AND UNIVERSAL-INVESTMENT PACKAGE AND SELL 10 NETTO DISCOUNT MARKETS AND ACQUIRE 4 LIDL OUTLETS

- **10 Netto markets from three portfolios with total rental space of just under 10,250 m² sold to project developer**
- **4 fully tenanted LIDL markets with about 5,260 m² acquired from a liquidated fund**
- **Attractive transactions ranging from 10 to over 200 million euros in volume despite buyer's market**

Frankfurt, 26 August 2019 – During the first half of 2019, GPEP GmbH (“GPEP”) packaged ten retail centres, with German discount store Netto Marken-Discount as the anchor tenant, and sold them to a project developer. Together with Universal-Investment, GPEP had acquired these centres, totalling just under 10,250 m² in rentable space, over the past four years as part of three portfolio acquisitions for various investors. The sellers were legally advised by Mayer Brown, Düsseldorf. The parties have agreed not to disclose the purchase price.

Of these ten discount markets, three are located in Bavaria and Lower Saxony each; the remaining four are situated in Hesse, Mecklenburg-Western Pomerania, Saxony and Thuringia. Only one of the outlets built between 1995 and 2008 has some – limited – vacancies. The weighted average lease term (WALT) ranges between 1.4 and 5.6 years.

Conversely, during the second half of 2018, GPEP as the portfolio manager acquired, together with Universal-Investment, four properties having 5,260 m² in rental space for a property Spezialfonds. Those properties were held by an investment fund and intended for sale, by way of an asset deal, to an investor with a long-term orientation. The four markets acquired are located in Bavaria, Baden-Württemberg, Hesse and Mecklenburg-Western Pomerania, and are in a good or even very good condition. The properties are fully tenanted; at the time of purchase the weighted average lease term (WALT) was 4.1 years. The buyers were legally advised by Mayer Brown, Düsseldorf. The parties have agreed not to disclose the purchase price.

“These two transactions are excellent examples of strategically significant sales and purchases in the best interest of our institutional investors. We were able to bundle ten retail centres from various portfolios, with German discount store Netto Marken-Discount as the anchor tenant, and

sell them as a package. On the other hand, at the request of one of our investors, from one portfolio we acquired four properties in very good micro-locations, where the competitive situation is advantageous or even comfortable”, explained Herwart Reip, Managing Director of GPEP GmbH, whose areas of responsibility also include due diligence, portfolio management and financing.

Marcel Fuhr, Managing Director of GPEP and, among other things, responsible for acquisition as well as asset and property management, added: “The real estate market continues to be characterised by high demand, while the supply of attractive real estate portfolios is limited. But even in this environment, we are still able to source suitable transactions for our investors, ranging from 10 to over 200 million euros in volume.”

ABOUT GPEP

GPEP GmbH specialises in the portfolio, asset and property management of special retail centres and retail parks located in Germany. Most of the anchor tenants in these properties are well-established food retailers. Independent and owner-operated, the real estate management company and its team of about 45 experts offer services along the entire value chain for institutional and private clients as well as family offices. These services range from sourcing, due diligence, business plans including scenario analyses through to purchase, administration and portfolio restructuring up to continuous portfolio optimisation and sale. Since its establishment in 2015, GPEP has created a portfolio having a volume of approximately EUR 1 billion.

GPEP offers investors a variety of investment structures, so that investors can benefit from the opportunities of sustainable real estate investments in retail centres and retail parks. For our investors, this means that they receive top-notch services from a single source, reliable ongoing yield and potential added value. To this end, we use our unique network and in-depth market knowledge to source attractive investment propositions even beyond the most popular property investment search profiles. [As at: 30/06/2019]

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